



## Part B Insider (Multispecialty) Coding Alert

### CCI Edits: Some Medicaid Payers Aren't Properly Implementing CCI Edits, OIG Says

**Look out: CMS to start ensuring that states adhere to CCI bundles more carefully.**

When you collect your Medicaid payments, you probably aren't marveling at the massive overpayments that you've received—but the OIG seems to think that some practices are getting paid too much. The agency recently audited state Medicaid insurers' adherence to implementing Correct Coding Initiative (CCI) bundles, and discovered that many state programs haven't quite gotten the hang of returning claims with CCI denials.

**Background:** Under the Affordable Care Act (ACA), all state Medicaid programs were required to implement CCI edits by Oct. 1, 2010. Although Medicare and some private payers have been processing claims using the CCI bundles, not all Medicaid payers got on board—and a few still aren't.

According to the April 18 OIG report, "Inconsistencies in State Implementation of Correct Coding Edits May Allow Improper Medicaid Payments," some states hadn't fully implemented the CCI edits between Jan. 2012 and Aug. 2015, and "most did not use all of the edits correctly."

#### Oklahoma and Illinois Were Biggest Offenders

The report points at Oklahoma and Illinois as the only two states that didn't implement any of the CCI edits—which means that these are likely the regions where providers collected the most cash that should have been held back due to bundling edits.

"Oklahoma Medicaid officials reported that the Medicaid agency chose not to implement the edits because the state's claims processing system had some state edits that were similar to the CCI edits," the OIG's report said. However, the OIG says, states must use the CCI edits even if they have their own state-based bundles.

In the case of Illinois, the edits were implemented as "manual review" edits, which meant that each claim containing CCI bundles was sent to a staff member for manual review rather than automatically denying the bundled codes. "CMS officials indicated that Illinois' method of manually reviewing all claims flagged by CCI edits did not constitute implementation of the edits," the OIG said. Therefore, there was no way for the agency to determine whether Illinois appropriately caught every claim that should have included CCI denials.

#### These States Implemented 'Some' Edits

Although CCI includes six edit categories, not every state decided to implement all six. North Carolina, New Mexico and Ohio claimed to still be in the process of implementing edits, but hadn't yet put all six categories into place.

Louisiana said it was well on its way to implementing "one of the four edit categories that it had not yet implemented," while four other states were at various stages of the process and didn't tell the OIG whether they would finalize the unimplemented categories.

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Of the 49 states that implemented CCI edits, a whopping 47 did not use all of the edits properly. The two that followed all CCI program requirements were Indiana and Montana, which correctly processed all applicable test claims, the OIG said.

**What this means for you:** Because CMS has pledged to more closely monitor the states' compliance with CCI edits, it's likely that the Medicaid programs with poor adherence to CCI will implement the edits soon, resulting in potential denials where you hadn't previously seen them. If, however, you're in Indiana or Montana, you shouldn't notice much difference to your claims, since those states are appropriately using CCI edits already.

**Resource:** To read the complete OIG report, visit <http://oig.hhs.gov/oei/reports/oei-09-14-00440.pdf>.

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